BSC

Mon, May 15, 2017

# Vietnam Daily Review

VN30 broke through

Overview

BSC's Forecast on the stock market

| | Negative | Neutral | Positive |
|---|---|---|---|
| Day 16/05/2017 | | ● | |
| Week 15/5-19/5/2017 | | ● | |
| Month 05/2017 | | ● | |

## Highlights

Although VN-Index decreased slightly and mostly fluctuated under the open price region during today session; however, in general market stocks is experiencing positive movement due to the trading cash flow in the beginning of the week. On one hand, Largecap stocks such as SAB, VNM, ROS restrained the index points, on the other hand, VN30 supported the market, and thus, the market index increased by 4.38 points in this session. The market scale supported the uptrend of market stocks when the bullish stocks dominated the market. The market cash flow continued returning to the Real-estate sector, especially Midcap and Largecap stocks, low price stocks. Moreover, investors are looking for the stable fundamental stocks which still have growth potential such as Transportation-Storage-Port sector, Construction sector, Marine sector and Rubber sector. In contradiction, Banking-Finance sector, Steel sector, Plastic sector, Fertilizer sectors have differentiation. Market liquidity continued improving with a trading value of VND 4,376.63 billion, put through trading value was VND 458.37 billion. At the end of the session, VN-Index decreased slightly by 0.02 point, down to 725.35 level. HNX-Index passed the short-term resistance. level of 91 point, increased by 0.71, up to 91.10 level.t.

## Recommendations

VN-Index is in a sideway trend above the 725 supportive level, the main reason is due to Largecap supportive stock had not found a synergy movement, although market trading is positive and market fluctuation is safe, market liquidity maintained its improvement trend. If VN-Index closed below today open price, VNXALLShare-Index and VN30 would increase and reflect the general trend of market trading. The fluctuation of VN30 stocks will enhance the market sentiment in the upcoming session. The market cash flow is positively rotated between market sectors which are experiencing upside trends. However, short-term profit cut pressure with the fast growth stocks in the forthcoming sessions may cause the market to fluctuate in a larger margin.

## Company update

*PVB -Petrovietnam coating Corp (HNX)*
*PXS- Petrovietnam construction Corp (HOSE)*


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**VN-INDEX** **725.35**
Value: 4368.08 bil -0.02 (0%)
Foreigners (net): -VND 17.19 bil

**HNX-INDEX** **91.10**
Value: 735.41 bil 0.71 (0.79%)
Foreigners (net): VND 5.29 bil

**UPCOM-INDEX** **58.05**
Value 106.67 bil 0.45 (0.78%)
Foreigners (net): VND 6.49 bil

**Macro indicators**

| | Value | % Chg |
|---|---|---|
| Crude oil | 49.0 | 2.5% |
| Gold | 1,231 | 0.3% |
| USDVND | 22,682 | 0.0% |
| EURVND | 25,004 | 0.5% |
| JPYVND | 19,992 | -0.1% |
| 1-month Interbank rate | 4.8% | - |
| 5yr VN Treasury Yield | 5.2% | - |

Source: Bloomberg, BSC Research

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## Market highlights

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The foreigner trading value has not yet improved, foreigners had a net sold of VND 17.19 billion on HOSE and a net purchase of VND 5.29 billion on HNX today.

## Recommendations

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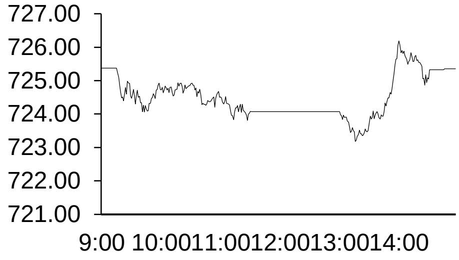
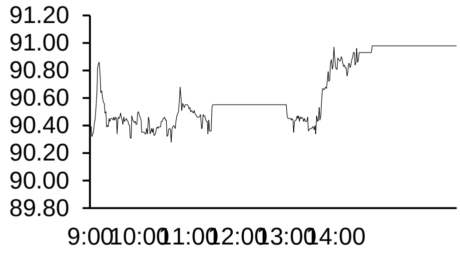



Source: Bloomberg, BSC Research

Exhibit 2




Source: Bloomberg, BSC Research

Exhibit 3
**Top 5 volume leaders**

| Ticker | Volume | Price | % Chg |
|---|---|---|---|
| FLC | 26.15 | 7.78 | 6.87 |
| HQC | 19.21 | 2.85 | 6.74 |
| SCR | 8.73 | 11.80 | 6.79 |
| DXG | 7.25 | 21.90 | 3.11 |
| DLG | 6.84 | 4.61 | 6.96 |

Source: Bloomberg, BSC Research

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# Company update

## PVB-Petrovietnam coating Corp (HNX)

**Ca Rong Do project is likely to be pushed back to 2018**. This is a 23km long pipeline project of 10, 12, and 16 inches in diameter, originally planned to bring in VND80 billion in revenue for 2017. The investor of the project is Vietsopetro, who currently considers a number of options, including importing or adding more weight to pipelines instead of coating. At present, Vietsopetro has not announced information about bidding. Besides, due to weather factors, the favorable time for spreading the pipe is from February to June. Therefore, there is a high possibility of project to be pushed back to 2018.

**A few large projects are all expected to implement in 2019**, including Ca Rong Do (83km); Nam Con Son 2 – GD2 (150km), Su Tu Trang (75 km)

**Financial condition ensures short term operations:** PVB has fully disposed of its debt with abundant cash, ensuring short-term performance while waiting for major projects. The company now has over VND143.3 billion in cash, and after excluding doubtful receivables (over 1 year) and non-cash payables, net cash of PVB is about VND147 billion, equivalent to 6,800 VND / share. PVB shares are trading at VND10,500 per share.

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# Company updates

## PXS - Petroleum Equipment Assembly (HOSE)

Total backlog for 2017 is VND 1,000 Bil, including:

| | VND Bil |
|---|---|
| Thái Bình Central | 59 |
| Song Hau Thermal | 153 |
| Thỏ Trăng | 15 |
| DK 10, 11, 12 | 681 |
| Nghi Sơn Oil Warehouse | 153 |

The company expects to have some subcontracting packages from PTSC's Ca Rong Do Project to help PXS reach its 2017 target revenue of VND1,200 billion (-22.5%) and pre-tax profit of VND80 billion (-27.6%).
Among the projects implemented, the company is experiencing difficulties in cash flow for the Thai Binh Thermal Project, with the total outstanding debt for this project is VND 209 billion, accounting for more than 50% receivable balance of PXS.
BSC noted that retrospective risk related to the DK 7,8,9, with the adjusted value could be up to 5% of the contract value, ~ VND 40 billion, qual to half of the target profit in 2017.
There are not many projects in 2018: the Long Son project ($ 110 million) will start in 3Q2018, with most work in 2019. In 2018, PXS expects two projects for the Ministry of Defense, and will be the final year for these projects. In addition, subcontracting for the Ca Rong Do is expected to last from late 2017 to 2018.

# Stock recommendations

## Short-term portfolio

| No. | Ticker | Date | Buy price | Current price | Unrealized gain/ loss | Cutlos-s | Target |
|---|---|---|---|---|---|---|---|
| 1 | GMD | 26/09/2016 | 26.3 | 40.0 | 51.9% | 24.2 | 28.5 |
| 2 | VIC | 17/10/2016 | 43.0 | 40.9 | -4.9% | 41.0 | 47.0 |
| 3 | PVT | 27/5/2016 | 12.3 | 13.2 | 7.3% | 11.7 | 13.5 |
| 4 | CSV | 19/12/2016 | 26.8 | 29.9 | 11.6% | 26.0 | 30.0 |
| 5 | KBC | 26/12/2016 | 13.6 | 16.4 | 21.0% | 13.0 | 15.0 |
| **Average** | | | | | **17.39%** | | |

Source: BSC Research

## CANSLIM portfolio

| No. | Ticker | Date | Buy price | Current price | Unrealized gain/ loss | Cutlos-s | Target |
|---|---|---|---|---|---|---|---|
| 1 | MBB | 27/4/2015 | 13.8 | 16.5 | 19.6% | 12.8 | 16.6 |
| 2 | GMD | 4/7/2015 | 26.6 | 40.0 | 50.2% | 24.7 | 31.9 |
| 3 | VCS | 16/12/2016 | 130.0 | 157.5 | 21.2% | 120.9 | 156.0 |
| 4 | HPG | 28/10/2016 | 40.8 | 29.5 | -27.7% | 36.4 | 44.9 |
| **Average** | | | | | **15.8%** | | |

Source: BSC Research

# Market statistics

### Top 5 leaders on the HSX

| Ticker | Price | % Chg | Index pt | Volume |
|---|---|---|---|---|
| MWG | 183.40 | 5.40 | 0.60 | 448540.00 |
| VIC | 40.90 | 0.99 | 0.44 | 655580.00 |
| STB | 12.65 | 3.69 | 0.28 | 5.72MLN |
| DHG | 144.90 | 3.95 | 0.20 | 208030.00 |
| **Ticker** | **Price** | **% Chg** | | **Volume** |
| SAB | 194.00 | -1.27 | -0.66 | 23710 |
| VNM | 143.90 | -0.62 | -0.54 | 820620 |
| ROS | 160.10 | -1.17 | -0.34 | 5.92MLN |
| GAS | 54.10 | -0.73 | -0.32 | 360800 |
| NVL | 67.80 | -1.74 | -0.29 | 931490 |

### Top 5 leaders on HNX

| Ticker | Price | % Chg | Index pt | Volume |
|---|---|---|---|---|
| PVR | 3.40 | 9.68 | 0.07 | 100 |
| KKC | 14.50 | 5.84 | 0.07 | 5800 |
| AAA | 24.10 | 7.11 | 0.04 | 1.12MLN |
| VBC | 70.50 | 5.22 | 0.04 | 2400 |
| **Ticker** | **Price** | **% Chg** | **Index pt** | **Volume** |
| SGO | 3.80 | -2.56 | -0.05 | 206800 |
| TV2 | 92.10 | -0.97 | -0.02 | 1700 |
| NTP | 58.80 | -0.17 | -0.02 | 6100 |
| PVG | 7.70 | -1.28 | -0.01 | 26600 |
| NTP | 79.00 | -4.70 | -0.01 | 800 |

### Top 5 gainers on the HSX

| Ticker | Price | % Chg | Index pt | Volume |
|---|---|---|---|---|
| CDO | 3.67 | 7.00 | 0.00 | 760870 |
| MCG | 3.68 | 6.98 | 0.01 | 2.98MLN |
| ANV | 9.52 | 6.97 | 0.02 | 98860 |
| DHM | 9.37 | 6.96 | 0.01 | 1.90MLN |
| GMD | 39.95 | 6.96 | 0.19 | 1.10MLN |

### Top 5 gainers on the HSX

| Ticker | Price | % Chg | Index pt | Volume |
|---|---|---|---|---|
| SIC | 12.20 | 9.91 | 0.00 | 2500 |
| TV3 | 54.40 | 9.90 | 0.02 | 200 |
| PEN | 9.00 | 9.76 | 0.02 | 2900 |
| PVR | 3.40 | 9.68 | 0.07 | 100 |
| TFC | 22.70 | 9.66 | 0.01 | 23900 |

### Top 5 losers on the HSX

| Ticker | Price | % Chg | Index pt | Volume |
|---|---|---|---|---|
| VNH | 0.90 | -10.00 | 0.00 | 9870 |
| BTT | 35.60 | -6.32 | -0.01 | 13980 |
| D2D | 30.60 | -5.26 | -0.01 | 2760 |
| VPS | 19.80 | -4.81 | -0.01 | 50 |
| VOS | 2.10 | -4.55 | -0.01 | 10470 |

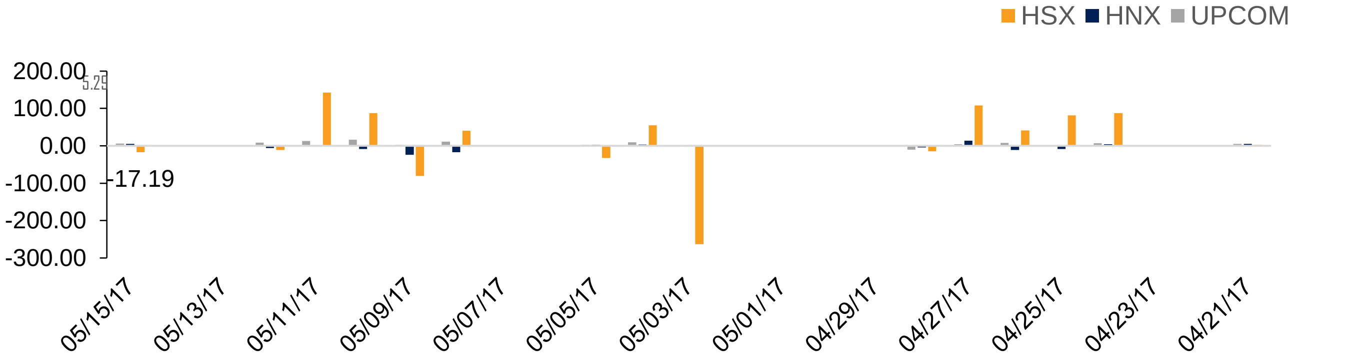
### Top 5 losers on the HNX

| Ticker | Price | % Chg | Index pt | Volume |
|---|---|---|---|---|
| GMX | 21.00 | -9.87 | -0.01 | 3200 |
| ONE | 9.10 | -9.90 | 0.00 | 31100 |
| DID | 4.60 | -9.80 | 0.00 | 10100 |
| NHA | 9.30 | -9.71 | -0.01 | 100 |
| KMT | 5.80 | -9.38 | 0.00 | 500 |

Source: Bloomberg, BSC Research

Exhibit 3

**Foreign transaction**




Source: HSX, HNX, BSC Research

# Disclosure

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